

# HANDBOOK for INDIVIDUAL SERVICE PROVIDERS

(Revised 07/11)

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## **INDIVIDUAL SERVICE PROVIDERS**

### **Welcome**

Thank you for your interest in becoming an Individual Service Provider (ISP) through the Department of Rehabilitation (DOR).

For instructions on how to apply, please see the step-by-step guide in the application section of this handbook.

### **What Is an ISP?**

An ISP assists individuals with disabilities to participate in vocational rehabilitation services and to prepare for, achieve and maintain an employment outcome.

DOR counselors and consumers collaborate to select an ISP on the basis of personal and professional ability to meet the consumer's specific needs.

The following describe additional factors of an ISP:

- An individual who provides services as an independent contractor, which is defined as an individual:
  - who establishes his or her own working hours;
  - who procures his or her own tools, equipment or necessary licenses for his or her work; and
  - whose service and completion of work are delivered in a stipulated period of time for an agreed-upon amount;
- An individual who is not working for a vendorized Community Rehabilitation Program (CRP), DOR-related program, school, or other private business organization authorized by DOR;
- The ISP must not have a designated space within any DOR office;
- ISPs must personally provide direct services to a consumer;\*\*
- An ISP may not subcontract services to any other individual or entity.

**\*\*NOTE:** The potential exists for direct services to be provided via electronic methods. Such services must be preapproved and provided in real-time. Additionally, the nature of certain services (e.g., job developer) necessitates an expenditure of time that benefits the consumer yet is not a face-to-face delivery of services.

Exceptions to these factors will be reviewed and approved by the applicable District Administrator (DA) on an individual basis.

### **What Services Can an ISP Provide?**

We provide many services for our consumers. Here are the eight main categories:

- Academic and Vocational Tutors
- Language Interpreter Providers
- Employment Service Providers
- Rehabilitation Technology Providers
- Independent Living Services Providers
- Personal Support Service Providers
- Business Consultation Providers
- Driver Assessment / Instruction Providers

Every ISP service category lists the required documentation and experience for each level of service.

Rates of payment correspond with the levels of service, with more advanced knowledge or experience garnering higher rates. To justify a higher rate of pay, you must provide proof of experience or education.

Please see Exhibit A: ISP Categories of Services for a complete listing of services, qualifications and levels of provision. Exhibit A and all the ISP forms can be found under the Providers tab on the DOR's website ([www.dor.ca.gov](http://www.dor.ca.gov)).

### **APPLICATION / APPROVAL PROCESS**

To apply, typically you must complete, sign and submit the following forms:

- ISP Application (DR171)
- Payee Data Record (STD 204)
- ISP Agreement (see pages 16 and 17)

District or branch office staff will also need to see or obtain copies of the following items:

- Your Social Security card, passport, driver's license, or a DMV-issued identification card

- A current resume or detailed work history
- Documentation of education (e.g., transcripts, diploma)
- The names and phone numbers, in writing, of three (3) **professional** references; letters of reference are acceptable but must contain phone numbers to allow follow-up questions
- Professional certification, credential, and/or license, if applicable for the service category
- A current DMV Driver Record printout and proof of required vehicle insurance coverage, if you are applying to be a driver for DOR consumers.

If there is a current need for your services, the DA or designee will review your qualifications, and verify your education and / or experience. If your application is a good match for a DOR consumer's need, DOR office staff will schedule an interview with you.

If the interview is successful, the DOR will then send your paperwork to the Community Resources Development (CRD) section in Central Office in Sacramento for review. If your paperwork is satisfactory, CRD will sign the approval form and send you the original, which you should keep for your files.

### **What Happens if the Interview Is Not Successful?**

An approval is not granted to everyone. If an application is declined, the applicant will receive a letter from the DOR Central Office stating the reason. Causes of declinations may include:

- a. Applicant does not meet qualification(s)
- b. Applicant does not meet definition of an ISP (i.e., an individual provider)

### **What Happens if My Services Are Not Currently Needed?**

If there is no immediate need for your services, the DOR district/branch office in which you applied will keep your application and corresponding documents on file for one year.

You should also be aware that approval of your application does not guarantee that you will receive ANY referrals for your services.

## Step by Step: The Application and Approval Process

Step	Action
1.	<p>The ISP applicant fills out, signs, and returns the following forms to a DOR district or branch office:</p> <ul style="list-style-type: none"><li>• Application (DR 171)</li><li>• The Payee Data Record (STD 204)</li><li>• The ISP Agreement (see pages 16 and 17)</li></ul> <p>The applicant must also present the following:</p> <ul style="list-style-type: none"><li>• SSN card / passport / California ID card / driver's license;</li><li>• resume;</li><li>• transcripts, etc.</li></ul>
2.	<p>If a current consumer requires a service, the applicant is interviewed by the District Administrator or designee</p> <p><b>OR</b></p> <p>If there is no current need for your service, your application will be kept on file for one year.</p>
3.	<p>If the application process is successful, the applicant will receive:</p> <ul style="list-style-type: none"><li>• A Vendor Approval form (DR 172)</li></ul> <p>This document verifies the applicant's acceptance as a DOR ISP.</p>

### Forms: Application / Approval

#### a. ISP Application – DR 171 (available on [www.dor.ca.gov](http://www.dor.ca.gov))

This is the first form you will need. The application form tells the DOR who you are, what your education or training is or has been, your work experiences, and people who can verify all those things on your behalf.

#### b. ISP Vendor Approval – DR 172

This form lists the category and level of service that, if approved, you may be authorized to provide to a DOR consumer or group of consumers. The form also lists the hourly rate that you will be paid for providing the service(s).

c. Payee Data Record – STD 204 (available on [www.dor.ca.gov](http://www.dor.ca.gov))

All new vendors doing business with the state must complete, sign and return this form. Accounting must have this form on file to process your invoice for payment. If your name or SSN changes, you will need to fill out and submit a new 204 form.

d. ISP Referral – DR 173

A DOR counselor fills out this form with the contact information of the consumer who needs your service(s). The form also specifies the hours you are authorized to work, the service you will be providing, the expected outcome and any additional information you need to know regarding the consumer's needs. This form will be sent to you along with the DR 297B – Authorization form.

e. Authorization for Vocational Rehabilitation Services – DR 297B

This form details the start and end dates of your service provision, the maximum hours authorized, maximum total dollars authorized based on your approved rate and the type of service you will be providing to a specific DOR consumer or group of consumers. Your monthly invoices will be reviewed against the information on this form.

### **How Does the DOR Refer a Consumer to Me?**

You must receive an Authorization for Services (DR 297B) before you begin any service. This form identifies the following items:

- service(s) you are authorized to provide
- the maximum total hours of service you are authorized to provide
- the established hourly fee you will be paid.

The Rehabilitation Counselor will attach a referral form (DR 173) for each service you are going to provide. The referral form outlines goals to be achieved and / or tasks to be performed. You may receive referrals from several counselors in the same district. You will need to keep track of which consumers were referred by which counselor. This is important for billing.

If the authorized hours are not enough to complete the goal and / or tasks, *you must contact the Rehabilitation Counselor in advance for an additional authorization (a new 297B form)*. The DOR will not pay for any services that are not previously authorized, so do not work beyond the authorized hours.

## **PROVIDING SERVICES – SPECIAL SITUATIONS**

### **Working in Multiple Districts**

The DOR delivers services in 14 districts. ISPs are allowed to provide services in more than one district. On the application form, you will indicate in which districts you are interested in providing services. Once approved in your primary district, your name and information will go onto a statewide list of approved ISPs. Other DOR districts / branches are welcome to use approved ISPs on this list. However, each district / branch reserves the right to ask you to undergo the approval process for their office.

### **Friends / Family Members as ISPs**

When no other provider or community resource is available to provide services in the Personal Support Service Providers category – that is, readers, note takers, drivers, and attendants – friends and family members can apply for consideration as an ISP to provide those services to a DOR consumer.

If the application process is completed, all criteria are met, and the District Administrator approves the application, the friend or family member may be approved as an ISP.

## **BILLING PROCEDURES**

### **How to Submit an Invoice for Payment of Service(s)**

Like all vendors who provide services to the DOR, ISPs are paid once a month. Checks are sent from the State Controller's Office to the address listed on the Payee Data Record (STD 204) that you filled out during the application and approval process.

Invoices are for one month of services and submitted at the end of each month. They should be sent to the attention of your referring counselor. To bill the DOR for your services, you will need the following forms:

- ISP Invoice (DR 296)
- ISP Worksheet (DR 296A) (one for each consumer served)
- ISP Progress Report (DR 174) (one for each consumer served)\*
- Authorization for Vocational Rehabilitation Services (DR 297B)



You must complete a separate invoice for each counselor from whom you received a referral.

The normal billing process may take up to 45 calendar days from receipt of your invoice to mailing payment to you.

\*The following service titles are not required to fill out progress reports for the consumers they serve: readers, note takers, attendants, drivers.

### **Transportation Costs**

Transportation costs are defined as mileage, tolls, and parking fees. These costs can be authorized for ISPs when the service requires that the consumer be transported and no other transportation options are available and/or feasible.

- All transportation costs must be pre-approved by the Rehabilitation Counselor.
- You do not need to submit parking and toll receipts with the invoice, but you must retain receipts and / or other relevant documentation for audit purposes for three (3) years after final payment.

### **Mileage**

The DOR may approve payments for total miles in excess of 25 miles roundtrip, when the distance is required for an ISP to provide services to DOR consumers. For example, if your roundtrip total is 30 miles, the DOR would pay for 5 miles ( $30 - 25 = 5$ ). Here are additional guidelines:

- Payment for mileage must be authorized in advance of the services being provided.
- Mileage will be reimbursed at a rate of payment equal to the rate received by excluded state employees.
- Mileage may be claimed from the point of departure to the point of return.

The DOR does not reimburse for travel between multiple consumers.

## Step by Step: The Billing Process

Step	Action
1.	<p>At month's end, the ISP completes and submits the following forms to the DOR district or branch office:</p> <ul style="list-style-type: none"><li>• A Progress Report (DR 174) for each consumer served*</li><li>• A Worksheet (DR 296A) for each consumer served</li><li>• an Invoice (DR 296) showing the referring counselor, authorization number for each consumer served, actual hours worked for each consumer, and services provided</li></ul> <p>*Unless service is reader, note taker, attendant or driver</p>
2.	<p>The ISP makes copies of all documents and corresponding receipts and retains them in his / her files, along with supporting records, for 3 years in case of audit or DOR review.</p>

### Forms: Invoicing / Documentation

#### a. ISP Progress Report – DR 174 (available on [www.dor.ca.gov](http://www.dor.ca.gov))

Along with your monthly invoice, you must submit a monthly progress report for each consumer to whom you provide services. This form assists counselors with tracking the improvement of their consumers toward reaching their individualized employment goal. Readers, note takers, attendants, and drivers are not required to fill out this form.

#### b. ISP Worksheet – DR 296A (available on [www.dor.ca.gov](http://www.dor.ca.gov))

The worksheet is designed to help you track your actual hours of service for each consumer. You will fill out and submit one worksheet for every consumer you provide services to on a monthly basis. To complete this form, you will need information from the DR 297B.

#### c. ISP Invoice – DR 296 (available on [www.dor.ca.gov](http://www.dor.ca.gov))

This form is addressed to each counselor from whom you received consumer referrals during the prior month. You will list the counselor's name and his / her respective consumers to whom you provided services during the month. To fill out this form, you will need information from other forms: the DR 297B and the DR 296A. At the end of the

month, invoice(s) are sent to the DOR district or branch office indicated on the DR 297B.

When working with DOR consumers, the ISP is responsible for maintaining documents that support the services provided, and for complying with the terms and conditions indicated in this handbook. (Please see the Terms and Conditions and ISP Agreement sections for specific information.)

## **The DOR Payment Timeline**

The DOR strives to ensure all vendors are paid in a prompt manner. We are subject to the Prompt Payment Act, which requires payments to be made within 45 calendar days of receipt of invoice.

## **Invoicing Disputes**

If the DOR has questions regarding your invoice, we issue an Invoice Dispute form (STD 209), which "stops the clock" for processing the payment until the dispute is resolved.

- DOR staff will attach the form to your invoice (DR 296) and return both to you for correction. This process will occur within 15 days from receipt of your invoice.
- You will need to correct your invoice (DR 296) and resubmit it, along with a copy of the STD 209, to the district or branch through which you provide services.

## **KEEPING YOUR ISP INFORMATION CURRENT**

### **Changing / Updating Your Information**

The Payee Data Record (STD 204) is the official State of California form containing all the information that the DOR needs to process your invoice for payment.

If your name, address or Social Security number changes after your STD 204 is on file with the DOR, you must complete a **new** STD 204 and submit it to the district or branch through which you are providing ISP services.

If your phone number or email changes, you must send us the change request in writing; however, you do not need to fill out a new STD 204.

Send a written update (email, print or fax) to the DOR district or branch office through which you provide services. The update should clearly state the old information and the new information. Ask for a reply email confirming the information was received and will be updated.

## **Annual Renewal**

Once a year, you will receive a letter of renewal during the month in which your ISP application was originally approved. This letter will contain the following information:

- Name, address, telephone number, email
- Categories of service, level of service, rate of pay
- District(s) in which you are approved to provide ISP services

You will have one month from the date of the letter to review the information. Please correct any errors and follow the instructions on how to return the form to Community Resources Development in Sacramento. If your name or Social Security number has changed, you will need to fill out a **new** STD 204 form and submit it to the DOR district or branch office through which you provide services. (See the section on Changing / Updating Your Information.)

If we do not receive a response from you, we will place your name on the ISP inactive list.

## **MONITORING SERVICES**

DOR staff will be monitoring the quality of each ISP's services, tracking billing and supporting documentation practices, and obtaining comments from consumers regarding satisfaction to ensure DOR consumers are benefitting from the services.

## **TERMS AND CONDITIONS**

### Notification

Any change that affects the delivery, payment or terms of the contracted services shall be in writing and delivered to the district or branch office in which the services are being provided.

## Personnel

Approval and continued maintenance of your ISP status is based on specific qualifications for one person; therefore, subcontracting services to other parties, or employing others to provide authorized services, is prohibited.

## Insurance

ISPs are not covered under State Unemployment Insurance.

Each ISP is responsible for securing any required insurance (for example, Worker's Compensation, medical, and / or liability insurance).

## Confidentiality

All consumer information must be kept confidential. The DOR is required by federal and state law to maintain the confidentiality of the records of individuals receiving services from the DOR. The DOR's disclosure of medical information is limited to what is necessary for a vendor to provide effective services. Although you will not have access to case records, you will be given sufficient information to provide the requested service upon written consent of the individual with a disability. The ISP agrees to keep any and all consumer information confidential.

## Providing Services to Friends or Family

ISPs are required to disclose to the Department of Rehabilitation (DOR) any type of relationship with a DOR consumer.

## Audit and Review Requirements

ISPs agree to comply with all laws, regulations, ordinances and policies of any governmental unit having jurisdiction over the rehabilitation program.

ISPs agree to maintain records for audit or inspection for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated by the DOR. These records include:

1. Authorizations (DR 297B)
2. Invoices and Worksheets (DR296), (DR296A)
3. Approvals (DR172)
4. Documentation supporting individual services

5. Documentation supporting actual hours / days billed
6. Documentation supporting mileage / transportation costs, including receipts for authorized tolls, parking, etc.

Invoices and other supporting documents submitted to the DOR are subject to audit by the DOR, State Controller's Office, Bureau of State Audits, and the Federal Department of Education Auditors, or any of these agencies' designated representatives.

The DOR or its designee shall have the right to review, obtain, and copy all records pertaining to the invoices submitted and the services provided to DOR consumers.

ISPs must cooperate with the DOR or its designated representatives by providing any requested information to support invoices submitted to the DOR and the services provided to consumers.

ISPs shall permit the DOR or its designated representatives reasonable access for the purpose of interviewing, inspecting and copying these books, records, and other electronic or printed material that may be relevant for the audit or review.

### Conduct

All ISPs are expected to conduct themselves in a professional manner. The rights to dignity, privacy, and informed choice by service recipients are always to be respected.

### Tax Reporting

When an independent contractor – such as an ISP – earns \$600 or more in a calendar year, the DOR is required to report to the Internal Revenue Service (IRS) and State Franchise Tax Board (FTB) all payments made to that contractor for that year. The information reported is gathered from the Payee Data Record (STD 204).

- The DOR will send Form 1099 directly to the mailing address documented on the STD 204 for reporting earnings when you file federal and state tax returns. If the 1099 is returned to the DOR as "undeliverable," the ISP will be placed on the inactive list.
- The IRS matches the two sets of information – your tax return and the

DOR's – to their records. If the information is incorrect, the IRS notifies the DOR and the DOR must then verify the information provided. If the information cannot be verified and corrected, the DOR is required to withhold 31% of all future payments for federal taxes.

### Termination of Services

ISPs must contact the DOR when unable to meet the qualifications for the service(s) he or she has been approved to provide.

If the DOR becomes aware that the information provided on the ISP application, or any other documents related to service provision to DOR consumers, is inaccurate, or if the ISP fails to meet the qualifications necessary for the service provided, the ISP may be subject to disqualification and placed on the inactive ISP list.

The DA / designee is responsible for ensuring that approved ISPs continue to meet qualification and performance standards. Following a consultation with counselors and consumers, if the DA / designee determines that the ISP is not fulfilling the responsibilities of the service category, the DA / designee may place the ISP on the inactive list. You will be notified of the reason for placement on the inactive list and your option to file a request for review.

## **ISP AGREEMENT**

As an Individual Service Provider (ISP) for the Department of Rehabilitation (DOR), I understand and agree to comply with the requirements as stated in the ISP Handbook, including the following:

- I am an independent contractor, not an employee of the State of California.
- As an independent contractor, I understand that it is my responsibility to obtain all the tools, equipment and licenses or certifications necessary to perform the services for which I have been approved to provide.
- My approval and continued maintenance of my ISP status is based on my specific qualifications; therefore, subcontracting of services to other persons, or employing others to provide authorized services, is not allowed.
- I am responsible for securing all required insurance.
- If I transport consumers, I must have a valid driver's license and meet the state legal vehicle insurance coverage requirement.
- I am not covered under State Unemployment Insurance. If I desire additional insurance (such as Worker's Compensation, medical, and/or liability insurance), it is my responsibility to secure it.
- I must disclose to the DOR if I am a friend or relative of a DOR employee, or if at any time I am authorized to provide services to a friend or relative, and I understand that my provision of service to a friend or relative is subject to DOR approval.
- I understand that the DOR's disclosure of medical information is limited to what is necessary for a vendor to provide effective services. I agree to keep any and all consumer information confidential.
- I agree to provide only those services as authorized by the Rehabilitation Counselor (RC) as indicated on the DR 297B Authorization. I will only bill for the actual hours spent providing services in accordance with approved service descriptions and will not exceed the maximum hours authorized. Before I provide any services beyond the maximum authorized hours, I will



contact the RC and receive another DR 297B to indicate approval to continue with additional services.

- I must maintain documentation for three (3) years of specific services provided to each consumer including but not limited to:
  1. actual dates of service
  2. actual hours billed
  3. type of service(s) provided
  4. mileage records, if I was paid for mileage
  5. receipts for tolls and parking claimed
- I agree to submit in a timely manner DR 296 Invoice(s), DR 296A Worksheets, and, if my service category requires it, DR 174 Progress Reports to the DOR office in accordance with the procedures outlined in this manual. I also agree to identify any additional services needed by the consumer, any barriers to a consumer's participation, or areas that may need the Rehabilitation Counselor's attention.

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ISP Signature

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Date

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ISP Printed Name

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DOR Staff Signature

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Date

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DOR Staff Printed Name